Infrastructure

Business Plan 1999-2000 to 2001-02 - *restated*

Accountability Statement

As a result of government reorganization announced on May 25, 1999, the Ministry Business Plans included in Budget '99 have been restated to reflect the new Ministry organizations as at November 17, 1999.

The restated Business Plan for the Ministry of Infrastructure for the three years commencing April 1, 1999 was prepared in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at February 18, 1999 with material economic or fiscal implications have been considered.

The Ministry's priorities outlined in this Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

For information, the restated Business Plan includes 1999-2000 Second Quarter forecast information that reflects developments that have occurred during the 1999-2000 fiscal year.

Ed Stelmach

Ed Stelmach
Minister of Infrastructure
November 17, 1999

Introduction

This business plan outlines the 1999-2000 to 2001-02 restated goals, strategies and performance measures of Alberta Infrastructure, which was formed on May 25, 1999 as a result of the Government reorganization. The new ministry represents the merger of the former Public Works, Supply and Services (except the Office of the Chief Information Officer and Information Management and Technology Services); Transportation and Utilities (except Disaster Services); and the School Facilities group from the former Ministry of Education.

Our Mission

Alberta Infrastructure contributes to Alberta's economic prosperity and quality of life through the provision of necessary, effective and safe infrastructure for all Albertans.

Our Mandate

Alberta Infrastructure is a multi-faceted organization responsible for infrastructure owned or supported by the Alberta Government. Its key responsibilities are to:

- provide safe and effective highways and support municipalities in the development and rehabilitation of local roads and bridges;
- ensure the safety of those travelling on Alberta's roadways through the provision of traffic safety education, awareness and enforcement programs;
- manage the development of schools, health care and water management facilities; and
- plan, construct, operate and maintain community service, cultural/historical, correctional, and other government facilities.

Core Businesses

- improve road, driver and vehicle safety by delivering traffic safety education strategies; monitoring motor transport compliance with regulations; monitoring on-road transport of dangerous goods; administering driver education and training programs; managing driver records and problem drivers and implementing impaired driving programs;
- provide government facilities and road infrastructure through planning, design, construction, rehabilitation, operation, maintenance, and land management;
- manage central services to all government departments (e.g., accommodation requirements; air transportation services; executive and government fleet operations, procurement, buildings, property acquisition and disposal);
- influence national and international policy in rail, air, passenger, ports/marine, and border crossing services, as well as represent Alberta's interests in internal and external trade agreements as they impact government procurement and transportation.

Goals and Strategies

The following section represents a compilation of the goals, strategies and performance measures that were included in the previous Public Works, Supply and Services and Transportation and Utilities 1999-2002 Business Plans, as well as portions of the previous Ministry of Education's Business Plan associated with school facilities development.

Where applicable, goals have been combined and reworded to more appropriately reflect Alberta Infrastructure's new role. The goals are numbered 1 to 6, and the major strategies (in bold) and supporting information are noted below each goal. In some instances, there are additional comments which provide an update of the various strategies to September 30, 1999. Timeline information for the various strategies is noted in brackets at the end of each strategy explanation.

The Premier's Task Force on Infrastructure was created on March 5th, 1998 to address overall transportation funding requirements in Alberta. In August 1998, the task force issued an interim report which recommended:

- a one-time increase in 1998-99 transportation funding of $130 million;
- the addition of $150 million per year to the base budget, for three years commencing in 1999-2000; and
- examining the disentanglement of municipal and provincial roles and responsibilities in managing transportation infrastructure.

The 1999-2002 Restated Business Plan and income statement reflect the additional funding allocations as recommended by the Premier's Task Force in August, 1998.

On September 7, 1999, the Premier's Task Force further recommended that funding be increased by $925 million to deal with growth pressures in the next three fiscal years. The task force also recommended, effective April 1, 2000, the transfer of responsibility from the municipalities to the province for secondary highways, as well as key trade corridors through some cities. The results of these recommendations are also included in this business plan and income statement.

GOAL #1: Improving Traffic Safety

Continuing the Traffic Safety Initiative in partnership with stakeholder groups to improve traffic safety province-wide. This initiative focuses on generating a stronger awareness that all Albertans have a role to play in traffic safety; ensuring access to traffic safety information; improving traffic management, vehicle safety and driver skills; and ensuring that effective enforcement tools are in place. In 1999, an evaluation of the first three-year results of the program (ending March 31, 1999) will be conducted. During the next several years, certain Traffic Safety Initiative strategies will be implemented under the new Traffic Safety Act and its associated regulations. **(ongoing)**

Streamlining legislation will continue through consolidation of regulations of the Highway Traffic Act, Motor Transport Act, Motor Vehicle Administration Act and Off-Highway Vehicle Act into new regulations under the Traffic Safety Act. Harmonization with Canadian and North American standards will also be included in the new regulations. Administrative license suspension will be implemented and riding in the back of pick-up trucks will be considered a priority issue for consideration in 1999-2000. **(ongoing)**

Monitoring the safety of the motor carrier industry will continue to be a high priority, with the focus being on truck and bus deficiencies that could lead to collisions and injuries. Inspection audits will continue, with repeat offenders targeted for follow-up. As well, monitoring the on-road transportation of dangerous goods will continue, working with Alberta Environment in the event of dangerous goods incidents. In partnership with the non-profit Transportation Training and Development Company, a Professional Driver Training Initiative will be developed to help ensure a supply of well-qualified, safety-conscious commercial carriers. **(ongoing)**

Providing incentives to motor carriers with exemplary performance will be enhanced to support industry initiatives that improve motor carrier efficiency, enhance export competitiveness, and encourage self-regulation. The Partners in Compliance Program will continue its expansion into the commercial carrier, school bus, and motor coach segments. **(ongoing)**

Performance Measures for Goal #1

- ***Casualty Collisions***

This measure is defined as the number of casualty (injury and fatality) collisions per 100,000 licensed drivers (by calendar year). By 1999, there were over two million licensed drivers in Alberta.

	Results	Business Plan Targets		
	1998	1999	2000	2001
Collisions per 100,000 licensed drivers	817	747	742	737

NOTE: The department is considering a new performance measure for traffic safety which is more directly tied to the department's traffic safety programs. The current measure is significantly influenced by a number of factors which are outside the department's control. These factors include such things as weather condition and economic growth resulting in increased traffic flow. The new measure will target the success of specific programs.

- ***Mechanical Safety of Commercial Vehicles***

This measure is defined as the percentage of commercial vehicles that are rendered out of service using nationally recognized criteria (Commercial Vehicle Safety Alliance) when inspected by department staff at roadside checks.

	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Requires Minor On-Site Adjustments	24.6%	25.0%	25.0%	25.0%
Requires Mechanic's Attention	4.9%	5.0%	5.0%	5.0%

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GOAL #2: Planning, Developing and Managing Alberta's Infrastructure

Improving the primary highway system will continue to accommodate the current and anticipated increase in the movement of people and goods resulting from enhanced economic activities. In August 1998, Premier's Task Force on Infrastructure recommended that up to an additional $15 million per year be added to the Primary Highway Construction Program to address growth pressures. Improvements to Highway 63 north of Fort McMurray to serve future oil sands development, and Highway 15 east of Fort Saskatchewan to serve major expansions of petro-chemical plants, are examples of primary highway construction projects that will proceed as a result of this additional money. On September 7, 1999, the Premier's Task Force further recommended that an additional $35 million per year be added to the primary highways program effective April 1, 2000. This additional funding will be used for upgrading of specific primary highways in order to alleviate safety and traffic concerns. **(ongoing)**

Protecting the integrity of the primary highways and bridges is important to the Alberta Advantage and to protect the investment of tax dollars. Timely rehabilitation results in substantive savings in the long term. In order to continue to maintain the safety of the travelling public and be competitive internationally, a good-quality primary highway system is imperative.

Highways generally last 15 to 20 years before repaving is needed due to weather, traffic impact and general wear and tear. Bridges are also a key component of the overall system and must be protected. The overall condition of the primary highway system in Alberta continues to decline. In order to ensure that this trend does not continue, a further $30 million was added to the 1998-99 base budget for primary highway preservation and rehabilitation. This additional amount was increased to $50 million starting 1999-2000.

Alberta Infrastructure will continue to participate in research initiatives that will assist in managing and preserving the primary highway system. These will include, but will not be limited to, research into innovative pavement materials and systems, maintenance strategies, and new bridge materials. **(ongoing)**

Streamlining and enhancing the contract tendering process will continue. Partnering with industry stakeholders, Alberta Infrastructure will upgrade the department's electronic distribution process for all bid documents issued by the department to provide broader, easier, and quicker access to these documents. **(ongoing)**

Early tendering of primary highway construction projects will continue. The ministry is committed to early tendering of the 2000-01 fiscal year's primary highway construction and rehabilitation program. By November 15, 1999, 50 percent of the contracts will be ready for tendering, with an additional 25 percent ready by December 15, 1999. **(ongoing)**

Planning and implementing new school facilities as well as modernization of existing school facilities (Kindergarten to Grade 12) will continue to be a high priority for Alberta Infrastructure. Over $140 million in base funding will be provided in 1999-2000 for essential restoration and upgrading of schools, and for school construction where other alternatives are not available. A portion of this funding will continue to support innovative capital projects. Facility audits will be undertaken in 1999-2000 to determine the needs for improvements to existing schools. This information will be used to support

requests to address funding pressures. Alberta Infrastructure is committed to undertaking a consultative approach with Alberta Learning and the school authorities in the planning and implementation of new school facilities. **(ongoing)**

Upgrading of Seniors' Lodges will continue in partnership with Alberta Community Development, to address safety, building code and operating efficiency issues. By the end of this business plan, 107 Seniors' Lodges will be upgraded. **(ongoing)**

Enhancing capital planning will continue in support of the government's initiatives to manage infrastructure. Alberta Infrastructure will take a lead role in ensuring effective, innovative management of physical infrastructure through the best use of services provided by the private sector and best approaches to divesting/making alternative use of under-utilized facilities. Focus on life cycle and other costing techniques will be used to achieve optimal value. **(ongoing)**

Implementing the Infrastructure Management System (IMS) will enhance the ability of the department to prioritize construction, rehabilitation and maintenance on the primary highway network. This system is being made available in stages as development proceeds so that immediate returns can be achieved. This state of the art IMS will be used as a prototype for managing other types of infrastructure. **(2001)**

In partnership with Alberta Health and Wellness and regional health authorities, a long-term capital plan for health facilities will be developed based on facility condition assessments completed in 1998-99, regional health authority service planning and the Health Capital Projects Rating Scale approved by government. An internet-based, province-wide system for regional health authorities and the Ministry will be provided to update and maintain long-term facility maintenance program information. **(ongoing)**

In partnership with Alberta Environment, we will develop and implement a long-term upgrading and rehabilitation plan for water management infrastructure, based on condition surveys and analysis completed in 1998-99. **(ongoing)**

Constructing water management facilities will continue in partnership with Alberta Environment. Construction of the Pine Coulee Project, East Arrowwood Syphon Replacement and St. Mary Dam Spillway Replacement projects will be completed. As well, construction of the South Heart River Dam Spillway Replacement project and the Little Bow River Project will proceed, subject to obtaining the remaining required regulatory approvals. **(ongoing)**

Maintaining the primary highway system has been undertaken by the private sector since 1996. Alberta Infrastructure will continue to ensure the primary highway system is effectively maintained by ordering work, setting standards and monitoring contractor performance. **(ongoing)**

Monitoring the weights and dimensions of commercial vehicles travelling on the primary highway system helps to protect the highway infrastructure. Ongoing monitoring and the issuance of permits for overweight and over-dimensional commercial vehicles will continue. **(ongoing)**

Managing land required to accommodate needed infrastructure will continue through the purchase of the properties required for the Transportation and Utility Corridor (TUC) program. The TUC program

supports infrastructure development for Edmonton and Calgary by providing alignments for ring roads, pipelines, power lines, and other utilities. The department will also continue negotiating the acquisition of lands required for Alberta Environment's flood control and water management projects, as well as enhance the sale of surplus properties. **(ongoing)**

Improving long-term maintenance planning and preventive maintenance programs to protect the value and integrity of our assets will be undertaken by employing a cyclical evaluation on all owned facilities over 1,000 square metres in size (represents 80 percent of owned space). Preventive maintenance will also be achieved by using a standardized system to monitor and report on maintenance activities for major building components and control systems. **(ongoing)**

Optimizing energy consumption, maximizing the life expectancy of the building systems, and ensuring an acceptable environment will continue to be priorities. Existing building lighting systems are being retrofitted with more cost-effective and energy efficient alternatives. Automated building management control systems are being used to minimize energy used for the Heating, Ventilation and Air Conditioning (HVAC) equipment and lighting systems. Efforts to reduce chloro-fluoro-carbons (CFC's) consumption by implementing a CFC conversion, replacement and containment strategy will continue. **(ongoing)**

Participating in climate change initiatives will continue to be a priority for this department. Alberta Infrastructure actively participates in a number of climate change initiatives with other ministries, governments and stakeholder groups; including undertaking projects to reduce energy consumption in owned buildings. **(ongoing)**

Performance Measures for Goal #2

- ***Traffic Capacity on Rural Primary Highways***

This measure is defined as the percentage of national highways providing a level of service rated at "B" or better, and the percentage of other primary highways providing a level of service rated at "C" or better (on a scale of A to F). Level of service is an international standard used to measure the ability of traffic to move freely. There are approximately 13,800 kilometres of rural primary highways in the province.

	Business Plan Targets		
	1999-2000	2000-01	2001-02
National Highways (Level B or better)	95.0%	95.0%	95.0%
Other Primary Highways (Level C or better)	99.0%	99.0%	99.0%

NOTE: This measure was initially reported in the 1999-2002 business plan as the percentage of rural primary highways providing a level of service of "B" or better. It has now been expanded to include national and other primary highways. Results for this new measure will be reported in the 1999-2000 Annual Report, once they become available.

- ***Primary Highway Pavement Condition***

This measure is an indicator of riding comfort for the travelling public as measured by the International Roughness Index (IRI). By sustaining pavement quality through regular rehabilitation, the total life cycle cost of the highway system will be reduced.

	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Twinned Primary Highway System - Average IRI	1.76	To be determined		
Other Primary Highways - Average IRI	1.80			

NOTE: Methodology for the calculation of 1998-99 results is being re-evaluated and these preliminary results will be adjusted accordingly, as more accurate baseline data becomes available. At that time, future targets will also be set.

For reference purposes, the U.S. Federal Highway Administration has established the following benchmarks for IRI. U.S. interstate highways represent the equivalent of our twinned primary highways. Generally speaking, non-interstate highways can be compared to Alberta's other primary and secondary highways.

IRI Rating	National Highways (Interstate)	Primary Highways (Non-Interstate)
Poor	Greater than 1.90	Greater than 2.70
Fair	1.50 to 1.89	1.50 to 2.69
Good	Less than 1.49	Less than 1.49

- ***Progress on Completion of Major Water Management Construction Projects***

This measure is calculated by determining the percentage of total construction costs which have been released to the contractor in accordance with construction completion of each project.

Project	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Pine Coulee Project	95%	100%	Complete	Complete
East Arrowwood Syphon Replacement	45%	95%	100%	Complete
St. Mary Dam Spillway Replacement	75%	95%	100%	Complete
South Heart River Dam Project	—	0%	50%	100%
Little Bow River Project (subject to obtaining remaining required regulatory approvals)	—	0%	20%	55%

- ***Seniors' Lodge Upgrading Projects Completed (Total 121)***

This measure is calculated by determining the number of lodges for which upgrading has been completed. The data presented represents the cumulative number of lodges upgraded.

	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Number of lodges for which upgrading is completed (out of 121 total)	56	75	90	107

GOAL #3: Supporting Municipal Infrastructure Partnerships

Providing funding for local roads and bridges will continue to assist rural municipalities, including counties, municipal districts, special areas and Métis Settlements facing increased growth and traffic resulting from a prosperous economy. This growth has placed increased stress on local roads and bridges, and has resulted in the need for additional investment in order to protect the integrity of the overall system. As a result of August 1998 recommendations from the Premier's Task Force on Infrastructure, funding was increased by $20 million per year. In September 1999, the Premier's Task Force recommended that a new formula be developed for distribution of the Rural Transportation Grants. As a result, the new formula will be developed in consultation with representatives from the Alberta Association of Municipal Districts and Counties. In addition, special funding for paving of access roads to provincial parks will be available.

Funding for the secondary highways and bridges, an integral part of Alberta's highway system, continues to be a priority. In recent years, the municipalities have expressed concern over the high cost of maintaining highways which essentially serve as regional connectors. Therefore, in response to their concerns and the 1999 recommendations of the Premier's Task Force on Infrastructure, the province will assume responsibility for 100 percent of the cost of construction, rehabilitation and maintenance of all secondary highways effective April 1st, 2000. During the term of this business plan, discussions will take place with all municipalities in order to develop specific transition agreements. As a result of this transfer of responsibility, municipalities will incur significant savings as they no longer have to fund maintenance or 25 percent of construction and rehabilitation projects. These savings can be used to fund other priority municipal infrastructure. **(ongoing)**

Restructuring the Resource Roads and Infrastructure for New Industry Program was recommended by the Premier's Task Force on Infrastructure in 1998 resulting in a new Resource Roads Program being developed with enhanced funding and expanded criteria. Commencing in 1999-2000, the new program will provide $24 million per year to assist rural municipalities and towns and villages to address the needs for infrastructure resulting from increased resource development related traffic. **(ongoing)**

Continuing the Streets Improvement Program, which provides cost-shared funding for transportation projects in towns, villages and summer villages. As recommended by the Premier's Task Force, funding for this program will be $12 million in 1999-2000, and increased substantially in 2000-2001. Additional

funding of $30 per capita, per year, commencing in the 2000-01 fiscal year, will bring funding to approximately the same level as grant funding being provided to the cities. **(ongoing)**

Providing enhanced funding for urban transportation was also recommended by the Premier's Task Force on Infrastructure. Alberta's 14 cities, and the urban areas of Sherwood Park and Fort McMurray, are facing increasing pressure in coping with growth, changing development patterns and aging infrastructure. The need for funding that would enable cities to effectively plan for their infrastructure needs was evident. As a result, the Premier's Task Force recommended significant enhancements for the urban centres including:

- commencing April 1, 2000, the provision of grants based on five cents per litre from fuel sold in Edmonton and Calgary resulting in approximately $65 million being provided to Edmonton and $85 million to Calgary per year;
- a long-term commitment for basic funding of $60 per capita for other cities plus supplemental funding on a project-specific basis beginning April 1, 2002; and
- effective April 1, 2000, the province assuming responsibility for the construction and maintenance of key primary highways along major trade corridors through cities; such as the Deerfoot and Stoney Trails in Calgary; the Anthony Henday Drive in Edmonton; Highway 63 in Fort McMurray; Highway 1 in Medicine Hat; and the North-South Trade Corridor routes through Lethbridge and Grande Prairie. **(ongoing)**

Funding for municipal water/wastewater facilities will continue through the Alberta Municipal Water/ Wastewater Partnership. Eligible municipalities are provided funding to assist in the capital construction of municipal water supply and treatment and wastewater treatment and disposal facilities to ensure residents have safe drinking water and the facilities meet environmental standards. In addition, the program helps to sustain and enhance development in smaller centres. Through ongoing discussion with Alberta Environment and the municipalities, program staff are able to ensure that facilities constructed under the program meet current environmental standards. **(ongoing)**

Performance Measures for Goal #3

- ***Secondary Highway Pavement Condition***

This measure is an indicator of riding comfort for the travelling public as measured by the International Roughness Index (IRI). By sustaining pavement quality through regular rehabilitation, the total life cycle cost of the highway system will be reduced.

	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Secondary Highways - Average IRI	1.34	To be determined		

NOTE: Methodology for the calculation of 1998-99 results is being re-evaluated and these preliminary results will be adjusted accordingly, as more accurate baseline data becomes available. At that time, future targets will also be set.

For reference purposes, the U.S. Federal Highway Administration has established the following benchmarks for IRI. U.S. interstate highways represent the equivalent of our twinned primary highways. Generally speaking, non-interstate highways can be compared to Alberta's other primary and secondary highways.

IRI Rating	National Highways (Interstate)	Primary Highways (Non-Interstate)
Poor	Greater than 1.90	Greater than 2.70
Fair	1.50 to 1.89	1.50 to 2.69
Good	Less than 1.49	Less than 1.49

- ***Effectiveness of Water and Wastewater Treatment Facilities***

This measure is defined as the percentage of communities under 45,000 population with water and wastewater treatment facilities that have an operating approval. These facilities require ongoing upgrading as a result of normal equipment deterioration, or capacity shortfalls due to population or economic growth.

	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Water Treatment Facilities	97.6%	98.7%	98.9%	99.1%
Wastewater Treatment Facilities	96.2%	97.5%	97.5%	97.5%

GOAL #4: Improving Access to World Markets

Developing the North-South Trade Corridor will be a key priority until four-laning is substantially completed in 2007. This corridor connects Alberta with the U.S. at Coutts and extends to the B.C. border west of Grande Prairie, and provides access to the Alaska Highway. To ensure Alberta's competitiveness in the international marketplace and enhance tourism, investment in this high-efficiency, multi-lane corridor to access U.S. and emerging Mexican markets is essential.

In order to achieve our objective of substantially completing this initiative by 2007, additional funding of $25 million for corridor projects in urban areas was allocated in 1998-99 in response to recommendations from the Premier's Task Force on Infrastructure.

On the rural portions of the corridor, significant work will be undertaken by 2002, including:

- completion of the twinning of the Lethbridge to Coutts segment;
- completion of the currently programmed work from Grande Prairie to Wembley; and
- putting into service the 22 kilometre section from north of Grande Prairie to Bezanson; 31 kilometres from west of Valleyview; 24 kilometres east and west of, and through, Fox Creek; and 45 kilometres west of Whitecourt and 21 kilometres east of Whitecourt.

Adjustments may be made to the program as necessary.

Within the City of Calgary, construction will begin on the extension of Deerfoot Trail south of Highway 22X, as well as interchanges at Highway 22X and Barlow Trail. On Edmonton's portion of the corridor, the interchange at Winterburn Road/Yellowhead Trail will be completed, and the construction of a major interchange at Ellerslie Road and Calgary Trail will begin. The September 7, 1999 announcement by the Premier's Task Force on Infrastructure will result in the province taking on responsibility for constructing Anthony Henday Drive in Edmonton from Whitemud Drive to Calgary Trail and further upgrading of the Deerfoot Trail through Calgary. **(2007)**

Participating in the development of a National Highway Policy will continue throughout the year. Canada's National Highway System currently comprises some 25,000 kilometres of highways that are key links between major cities, industrial areas, major resource areas, and ports of entry. This system, and other key transportation corridors throughout the country, is vital to efficient trade and travel within Canada, and to and from international markets.

The National Highway System is unable to keep pace with today's transportation needs, and delays in further investment in these highway routes will seriously undermine the competitiveness of Canada's economy. Collaboration will continue with other provinces and territories in order to obtain a commitment from the federal government for a National Transportation Investment Strategy with a National Highway Program as a major component. A National Highway Program will provide funding to prevent further deterioration of the infrastructure, increase economic activity, reduce congestion, improve highway safety and reduce the human and economic costs of traffic collisions. Provinces and territories have requested that the National Transportation Investment Strategy be flexible enough to address other transportation priorities, such as trade corridors, border crossings, intermodal facilities, urban transit, and intelligent transportation systems. **(ongoing)**

Improving intermodal transportation will continue through the ongoing promotion of a seamless transportation/logistics system for Alberta to export markets more efficiently. This initiative will focus on the development of cost-effective and timely transfers of value-added products between truck and air cargo, and rail/port and marine container traffic. It is important that competitive alternatives exist for Alberta shippers to ensure that they are competitive in world markets. **(ongoing)**

Participating in the Western Canadian Corridors and Ports Initiative (previously known as the North West Transportation and Trade Corridor) will continue. The purpose of this initiative, which now also encompasses the Fraser River/Vancouver Corridor, as well as the North West Corridor and the Port of Prince Rupert, is to examine methods to increase international market access for Alberta, Saskatchewan, and B.C. commodities, such as grain, forest products, petrochemicals and coal, through more efficient use of intermodal services and port facilities on the West Coast. **(ongoing)**

Facilitating the implementation of the *Procurement Chapter of the Agreement on Internal Trade* to Alberta municipalities, municipal organizations, school boards, and publicly funded academic, health and social service entities (MASH sector) will be completed by December 31, 1999. This initiative will benefit Alberta suppliers through increased opportunities to supply goods and services, including construction contracts. **(December 31, 1999)**

Performance Measures for Goal #4

- *North-South Trade Corridor*

This measure is defined as the percentage (urban and rural) of the North-South Trade Corridor that is twinned and open to travel. This corridor consists of 1,175 kilometres of highway, of which nearly 100 kilometres are within cities.

	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Percentage Complete (Open to Travel)	56.1%	57.3%	69.0%	73.0%

GOAL #5: Providing Effective and Efficient Central Services

Enhancing government procurement practices will continue by maximizing the benefits of electronic commerce. This, in conjunction with increased use of the government's existing intranet, will provide our customers "one window" access to current product and vendor information. The use of electronic commerce will strengthen our partnership with vendors and will streamline the manual paper-based approval processes. **(ongoing)**

Continuing to provide a safe, reliable and cost-effective air transportation service will ensure efficient use of government resources in terms of staff travel time and convenience. **(ongoing)**

Providing necessary government work and program delivery space will continue by using innovative alternatives to normal funding and delivery approaches. In partnership with Alberta Children's Services, new leased space and existing space will be used to establish approximately 100 *Alberta Children's Initiative* offices over the next three years. Through another partnership with Alberta Learning, new leased and existing space will be utilized to accommodate the *Labour Market Development Agreement* by establishing 23 consolidated offices, for federal and provincial staff over three years. As part of our ongoing property management, we will be renewing contracts for approximately 250,000 square metres of leased space, subject to continued need, and negotiating the leasing of surplus space in provincial facilities to non-provincial government organizations. The cost effective use of systems furniture to provide more productive, functional and space-efficient work environment will continue to be promoted.

Alberta Infrastructure, in partnership with other governments and the private sector, participates in annual benchmarking studies to compare operating costs, space utilization, and standards. These studies help to improve the efficiency of our operations. Due to the government reorganization, a new accommodation plan is under development which addresses the needs of all ministries.

Managing government properties will continue by completing facility evaluations and developing a facility condition database on all government owned facilities over 1,000 square metres; providing advice on planned maintenance schedules, budgets and cash flows. **(ongoing)**

Performance Measures for Goal #5

- ***Procurement Administrative Costs***

This measure is defined as the administrative costs for procurement services expressed as a percentage of total goods and services purchased. In conjunction with the measure of customer satisfaction with procurement services, this measure indicates the effectiveness of procurement services. Lower values indicate improved efficiency, achieved by reducing operating costs in proportion to the value of purchases. The total value of goods and services purchased does not include direct purchases made by ministries under delegated purchasing authorities using the Government Procurement Card or other means. The Business Plan targets are based on budget target costs and projected future contracting levels.

	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Procurement Administrative Costs (as a percentage of value of total goods and services purchased)	1.22%	1.20%	1.22%	1.22%

NOTE: A more appropriate alternative for this measure is being examined and may be included in the 1999-2000 Annual Report and future Business Plans.

- ***Operating Cost per Square Metre***

Alberta Infrastructure participates in an annual survey with other government jurisdictions and the private sector to compare operating costs for owned and leased office buildings across Canada. In 1999, this survey involved 41 buildings. The four Alberta Infrastructure buildings included in the survey were among the ten buildings with the lowest operating costs per m^2 per annum. Operating costs of those buildings of other governments and the private sector, which are rated as efficient and economical, will be evaluated with a view of improving our practices based on appropriate reinvestment in the maintenance of our buildings.

- ***Energy Consumption in Owned Facilities***

This measure shows the average energy consumption in owned facilities over a 12-month period, and is an indicator of how efficiently energy is being used by the facilities. The results are calculated by converting the actual energy consumption for gas, water and power into one common unit of measure (megajoules), adjusted for weather variations, and divided by the total gross square metres of all owned facilities. The conversion to megajoules and weather variations adjustments restates the consumption to allow for annual comparisons.

	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Energy Consumption in Owned Facilities (Megajoules per m^2)	1,845	1,810	1,770	1,735

- ***Building Condition***

This measure indicates the percentage of ministry owned buildings over 1,000 square metres with condition information established. Building condition is determined by surveys completed by external consultants and department staff. Condition information is integral in making informed capital planning decisions.

	Results	Business Plan Targets		
	1998-99	1999-2000	2000-01	2001-02
Percentage of ministry owned buildings over 1,000 square meters with condition information established	59.9%	77.0%	89.0%	100.0%

GOAL #6: Developing and Retaining Our Human Resources and Improving Our Effectiveness

Obtaining and responding to client feedback will continue with a process being implemented to determine the level of satisfaction with the department's programs and services. *(Note: Numerous client surveys have been undertaken by various divisions within the Ministry. These client survey efforts will be consolidated upon the implementation of a renewed client survey strategy which is currently under development.)* **(ongoing)**

Implementing the Corporate Human Resource Plan, which was developed for the Alberta Public Service with priorities which focus on aligning staff goals with department and government goals; building employee commitment; ensuring employees have the knowledge, skills and abilities needed; and introducing processes for the organization to meet changing needs will continue. Alberta Infrastructure will implement this plan by ensuring that its employees are properly trained and have the appropriate information technology tools; by developing strategies for succession planning; and by creating an internal environment aimed at improved teamwork. **(ongoing)**

Implementing the Joint Workforce Development Initiative will ensure government, industry and educational institutions are working together to develop transportation infrastructure career development programs aimed at attracting, training and developing members of the government, construction and consulting industry, including an employee exchange program. **(ongoing)**

Supporting Regulatory Reform will continue. In accordance with the Government's policy of deregulation, all regulations will be streamlined and re-enacted when it is in the public interest to do so, or repealed where a cost reduction for both industry and government can be demonstrated. **(ongoing)**

Performance Measures for Goal #6

- ***Client Satisfaction Survey***

Under development – This measure will be revamped to encompass an integrated approach for the Ministry. Data for this measure will be collected and reported once a consolidated strategy for measuring client satisfaction is developed.

INFRASTRUCTURE
MINISTRY INCOME STATEMENT
(thousands of dollars)

	Comparable 1998-99 Actual	Restated 1999-2000 Budget	1999-2000 Forecast	Restated 2000-01 Target	Restated 2001-02 Target
REVENUE					
Internal Government Transfers	130,000	261,700	261,700	255,000	255,000
Transfers from Government of Canada	1,350	1,031	1,031	580	580
Investment Income	4,549	2,100	2,100	1,300	1,300
Premiums, Fees and Licences	16,574	14,400	14,400	12,400	12,400
Other Revenue	36,574	29,845	31,745	28,240	28,240
MINISTRY REVENUE	189,047	309,076	310,976	297,520	297,520
EXPENSE					
Program					
North - South Trade Corridor	30,292	16,000	76,000	16,000	16,000
Traffic Safety Services	17,918	18,980	18,980	19,908	19,906
Primary Highway Maintenance	92,546	97,000	87,500	102,400	106,900
Primary Highway Rehabilitation	72,238	86,000	86,000	86,000	86,000
Primary Highway Construction	8,406	7,000	7,000	7,000	7,000
Grants to Rural Municipalities	43,963	52,000	72,000	55,000	57,000
Alberta Cities Transportation Partnership	87,961	119,700	434,700	114,400	114,400
Streets Improvement Program	24,808	12,000	27,000	12,000	12,000
Secondary Highway Program	99,125	90,000	105,000	90,000	90,000
Municipal Water and Wastewater Program	14,426	19,050	35,050	19,050	19,050
Resource Roads/New Industry	15,332	20,000	20,000	20,000	20,000
Other Provincial Roads and Infrastructure	4,135	5,000	5,000	5,000	5,000
Grants to Transitioning Municipalities	12,270	11,500	11,500	6,000	2,000
Leases	68,669	74,600	74,600	76,100	82,600
Property Management Operations	93,867	91,885	91,885	92,390	93,285
Construction and Upgrading of Health Facilities	108,998	115,000	185,000	108,000	108,000
Upgrading of Seniors' Lodges	20,432	16,200	19,200	17,100	17,100
Construction and Upgrading of Government Facilities	25,526	22,975	29,975	18,395	19,050
School Facilities	140,030	140,030	140,030	140,030	140,030
Support Services	69,312	73,648	73,648	73,096	74,313
Cross Government Services	14,334	13,000	13,000	12,410	12,410
Nominal Sum Disposals	-	5,000	5,000	5,000	5,000
Consumption of Inventories	-	1,500	11,000	1,500	1,500
Amortization	145,606	152,060	152,060	153,360	155,360
Valuation Adjustments	1,520	100	100	100	100
MINISTRY EXPENSE	1,211,714	1,260,228	1,781,228	1,250,239	1,264,004
Gain (Loss) on Disposal of Capital Assets	(2,847)	(1,000)	(1,000)	(1,000)	(1,000)
Gain (Loss) on Inventory held for Resale	2,028	(4,000)	(4,000)	(4,000)	(4,000)
Write Down of Inventory held for Resale	-	(9,000)	(9,000)	(9,000)	(9,000)
Write Down of Capital Assets	(858)	(1,000)	(1,000)	(1,000)	(1,000)
MINISTRY NET OPERATING RESULT	(1,024,344)	(966,152)	(1,485,252)	(967,719)	(981,484)

INFRASTRUCTURE CONSOLIDATED NET OPERATING RESULT (thousands of dollars)	Comparable 1998-99 Actual	Restated 1999-2000 Budget	1999-2000 Forecast	Restated 2000-01 Target	Restated 2001-02 Target
Ministry Revenue	189,047	309,076	310,976	297,520	297,520
Inter-ministry consolidation adjustments	(142,911)	(271,906)	(271,906)	(264,582)	(264,582)
Consolidated Revenue	46,136	37,170	39,070	32,938	32,938
Ministry Program Expense	1,211,714	1,260,228	1,781,228	1,250,239	1,264,004
Inter-ministry consolidation adjustments	(12,911)	(15,206)	(24,706)	(14,582)	(14,582)
Consolidated Program Expense	**1,198,803**	**1,245,022**	**1,756,522**	**1,235,657**	**1,249,422**
Gain (Loss) on Disposal of Capital Assets	(2,847)	(1,000)	(1,000)	(1,000)	(1,000)
Gain (Loss) on Inventory held for Resale	2,028	(4,000)	(4,000)	(4,000)	(4,000)
Write Down of Inventory held for Resale	-	(9,000)	(9,000)	(9,000)	(9,000)
Write Down of Capital Assets	(858)	(1,000)	(1,000)	(1,000)	(1,000)
Inter-ministry consolidation adjustments	-	(5,000)	(5,000)	(5,000)	(5,000)
CONSOLIDATED NET OPERATING RESULT	(1,154,344)	(1,227,852)	(1,737,452)	(1,222,719)	(1,236,484)

MINISTRY CAPITAL INVESTMENT (thousands of dollars)	Comparable 1998-99 Actual	Restated 1999-2000 Budget	1999-2000 Forecast	Restated 2000-01 Target	Restated 2001-02 Target
North - South Trade Corridor	64,720	79,500	79,500	102,000	102,000
Primary Highway Construction	99,637	73,100	73,100	60,200	57,700
Construction and Upgrading of Water Infrastructure	46,398	31,800	41,600	30,850	31,800
Land Management	11,192	10,100	7,715	10,100	10,100
Construction and Upgrading of Government Facilities	1,277	6,000	6,000	9,830	9,320
Other Provincial Roads and Infrastructure	10,006	6,100	6,100	5,400	5,400
Resource Roads / New Industry	3,572	4,000	4,000	4,000	4,000
Cross Government Services	10,013	8,660	8,860	7,910	7,760
Purchase of Inventories	-	-	9,500	-	-
MINISTRY CAPITAL INVESTMENT	246,815	219,260	236,375	230,290	228,080

	Comparable 1998-99 Actual	Restated 1999-2000 Budget	1999-2000 Forecast	Restated 2000-01 Target	Restated 2001-02 Target
New Capital Investment	246,815	219,260	236,375	230,290	228,080
Less: Disposal of Capital Assets	(12,827)	(38,300)	(38,300)	(32,100)	(32,100)
Less: Capital Amortization	(145,609)	(152,060)	(152,060)	(153,360)	(155,360)
INCREASE (DECREASE) IN CAPITAL ASSETS	88,379	28,900	46,015	44,830	40,620